



County of Los Angeles
CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

May 22, 2008

To: Supervisor Yvonne B. Burke, Chair
Supervisor Gloria Molina
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

**TEMPORARY CURTAILMENT OF DEFERRED COMPENSATION AND THRIFT
PLAN (HORIZONS) MATCHING CONTRIBUTIONS**

The Los Angeles County Deferred Compensation and Thrift Plan (Horizons) and the County Fringe Benefit Memoranda of Understanding with our employee organizations impose a fiscal year cap on the total matching contributions that the County can make to represented Plan participants. The Horizons cap on County matching contributions from July 1, 2007 to June 30, 2008 is \$102 million. The Horizons Plan ordinance requires affected participants to be notified should it be determined funding will be insufficient to meet the matching contributions necessary to provide participants their full match during the remainder of the fiscal year.

The 2007-08 Horizons cap is expected to be met with the contributions scheduled for the May 2008 accrual period. The remaining funds authorized for matching purposes will be approximately 93.6% of the projected matching contributions required to meet the full match for the May 2008 accrual period. Represented employees who participate in the Horizons Plan will have a corresponding pro rata reduction of their County matching contribution. This curtailment to the matching contributions for the May 2008 accrual period will be reflected on each participant's June 15, 2008 pay stub. Since funding for the County match will be exhausted with the May 2008 contributions, no County matching contributions will be made for the remainder of the fiscal year.

Each Supervisor
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Employee take-home pay will not be affected and there will be no change in employee contributions to the Plan. Full matching contributions will resume with the new fiscal year commencing with contributions for the July 2008 accrual period that will be reflected on the August 15, 2008 pay stub.

WTF:DIL
WGL:DT:mst

c: Department Heads
 Administrative Deputies
 Personnel Officers
 Horizons Plan Administrative Committee
 SEIU, Local 721
 Coalition of County Unions
 Guild for Professional Pharmacists
 Los Angeles County Association of Environmental Health Specialist
 Association of Public Defender Investigators
 Professional Peace Officers Association
 Union of American Physicians
 Great-West Retirement Services